

Section 319 Grants Guidance Document

'The Care and Feeding of a Section 319 Grant'

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Produced by: The Watershed Management Section,
IDEM

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Introduction

Welcome to *The Care and Feeding of a Section 319 Grant*! This document was produced to help S. 319 grant recipients better understand the guidelines and requirements of the S. 319 Nonpoint Source Grant Program.

S. 319 grants are federal funds aimed at reducing nonpoint source water pollution. Funds are distributed to EPA regional headquarters, and then to the state agencies administering the program.

In Indiana, S. 319 funds are administered through the Indiana Department of Environmental Management's Watershed Management Section, and grant projects are executed through contractual agreements. Guidelines for the program come from one of three sources: S. 319 of the Clean Water Act, EPA guidance documents, or Indiana specific requirements.

The Watershed Management Section hopes this document will assist you in managing your grant funds, and looks forward to working closely with you towards a successful grant project!

General Project Requirements

Projects must be **sponsored by**:

- ◆ A nonprofit organization;
- ◆ A university; or
- ◆ A local, state or federal government agency.

Projects must work within a **designated area** documented as being affected by nonpoint source pollution, and listed in:

- ◆ Indiana's Unified Watershed Assessment;
- ◆ Indiana's 305(b) report or 303(d) list; or
- ◆ Other documentation of nonpoint source pollution.

**An in-kind
and/or cash
match of 25% is
required for all
projects.**

The following elements contribute to a **competitive proposal**:

- ◆ Forging partnerships and asking for input from all local stakeholders;
- ◆ Comprehensively addressing how to reduce the pollution **source**; and
- ◆ Developing/following a Watershed Management Plan.

The focus of past projects has included:

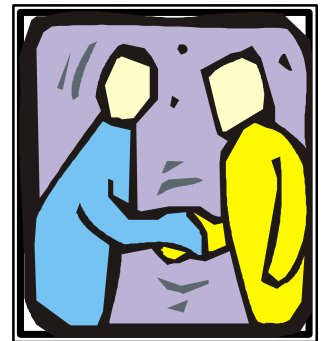
- ◆ The demonstration of best management practices (BMPs);
- ◆ Watershed restoration activities;
- ◆ Education and outreach;
- ◆ Demonstration of new technology;
- ◆ Technical assistance; and
- ◆ Research and development for statewide application.

**Section 319
grants can be
written for up
to \$300,000.**

How Grant Projects are Administered

Each project is assigned a Project Manager in the Watershed Management Section. Project Managers:

- ◆ Work closely with grant recipients throughout the project's life;
- ◆ Review all reporting and financial paperwork submitted by the grant recipient;
- ◆ Conduct site visits on at least a quarterly basis; and
- ◆ Act as a liaison to other IDEM programs.



All projects chosen for funding are administered through contractual agreements that spell out the:

- duties,
- schedule, and
- budget

that the grant recipient commits to in their proposal. For specific contract requirements, please see *Other Important Stuff* on Page 15.

Getting Paid

How Do I Get Paid?

Payment is made in arrears upon receipt of a claim voucher. The following items must always accompany the claim voucher:

- ◆ An itemization of claim voucher expenditures, and
- ◆ A report of in-kind/cash matching contributions.

The following items must accompany the claim voucher when specific expenses are claimed:

- ◆ Copies of receipts when equipment or cost-share expenses are claimed; and
- ◆ The 319-A or 319-U Cost-Share form and additional attachments (see form directions in Appendix B) when cost-share is claimed.

See Appendix A for examples of claim voucher and match forms, and for a checklist of what Project Managers review before approving payment.

Claim vouchers can be submitted at any time during a grant project, but the final claim voucher must be received within 30 days after a project ends.

Keep the following equation in mind when submitting paperwork for reimbursement:

$$\text{Total Costs} = 319 + \text{Match}$$

This means that expenses will either be reimbursed from S. 319 grant funds, or documented as match (either cash or in-kind services) for the project.

In other words, the total cost of something should be reflected as the amount listed on the claim voucher form plus the amount listed on the match form.

Restrictions on S.319 Grant Funds and Match

There are several things for which S. 319 grant funds can not pay. The same rules apply to match on a S. 319 grant project. These include:

- ◆ Food for meetings or in a workshop,
- ◆ Dredging, Drainage or Flood Control,
- ◆ Work required by an NPDES permit, and
- ◆ Permit fees of any type.

In addition, there are several restrictions on cost-share programs. The following items can not be paid for using cost-share funds:

- ◆ Incentive payments,
- ◆ Land payments,
- ◆ Equipment for individuals, and
- ◆ Yield Losses.

Match cannot include any federal funding sources, or in-kind services by the Department of Natural Resources, Division of Soil Conservation *Resource Specialists* positions.

Can I Make Changes to the Budget?

Yes! Grant recipients can make slight changes to their budget. As a general rule, these changes can not exceed **10%** of the total S. 319 grant award over the entire grant period. Budget changes generally need to be made at the end of a project to zero out each line item.

Example:

If a grant award has been made for \$100,000 (not including match), then \$10,000 can be moved around between budget line items over the course of the project.

A budget change request must be made in writing, **before** purchasing anything affected by the change.

The budget change request should specify:

- ◆ The amount of the change,
- ◆ Which line items money is being moved out of/ into, and
- ◆ A justification for the change.

Budget changes will not be approved for work that does not fulfill the duties of the contract.

Appendix A contains an example of a budget change approval letter, which can be used as a template for a budget change request letter.

How Long Does it Take?

It normally takes about six weeks to receive a check from the time the claim voucher is received at IDEM. Checks are written to grant recipients by the State Auditor's Office. Checks **cannot** be written directly to sub-grantees or cost-share recipients.

2001-91

PAY TO
THE ORDER OF _____

_____ 19 _____ S _____

_____ DOLLARS

Cost-Share

Cost-Share Guidelines

The installation of cost-share practices must be for **demonstration purposes** in order to encourage the adoption of best management practices (BMPs), or innovative technology.



Public participation and technology transfer should be planned as a part of the cost-share program. Examples of activities include:

- ◆ Field tours;
- ◆ Newsletters; and
- ◆ Public meetings.

What is Eligible for Cost-Share Funding?

- ◆ Cost of materials (such as seed, fertilizer, lumber or concrete);
- ◆ Labor charges (including landowner labor);
- ◆ Contractor, consultant, or third party charges;
- ◆ Cost to modify existing equipment for a different use;
- ◆ Lab fees (such as for manure, soil or plant tissue tests); and/or

Section 319 cost-share funds will provide **up to 75%** of the actual cost of work.

- ◆ Equipment rental fees.

What *is not* Eligible for Cost-Share Funds?

Please see '**Restrictions on S. 319 Grant Funds and Match**' on page 7 for restrictions on S. 319 funds in general as well as restrictions for cost-share funds specifically.

Additional Requirements

All BMPs must meet the terms and conditions of the 319A or 319U Cost-Share Form (See Appendix B).

Federal money can not be spent twice on the same item. For example, the USDA Conservation Reserve Program could pay for land payment and S. 319 funds could pay for BMP installation, but both federal funding sources could not pay for the same BMP installation.

Grant recipients set cost-share rates (up to 75%) based on the actual cost of practices, and can set limits on the cost of practices (price per foot, per acre) based on reasonable and customary prices. Land costs, yield losses, and other opportunity costs may not be included in any unit cost calculations.

All cost-share work must be backed up by bills which are reasonable for the work being done.
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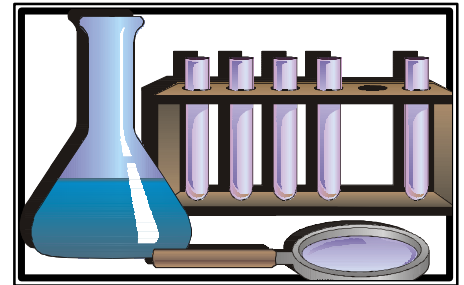
Quality Assurance Project Plans

What is a Quality Assurance Project Plan (QAPP)?

A QAPP (pronounced “cwap”, not “crap”!) is a written document that outlines the procedures a monitoring project will use to ensure that the samples collected, the data stored, and the reports generated are of high enough quality to meet the project’s needs.

Why is it Necessary?

A QAPP is required by USEPA to ensure that the data collected under S. 319 projects is of known and suitable quality and quantity. A QAPP also helps the project sponsors to plan where, when, how and why samples will be taken.



Who Has to Develop a QAPP?

USEPA funded monitoring programs must have an EPA approved QAPP **before sample collection begins**. Indiana has been delegated authority to review the QAPPs submitted for projects in Indiana.

If your project is collecting environmental data, including physical, chemical, or biological data, and S. 319 money is being used to pay for the monitoring **and/or** monitoring is being used as match for a S. 319 project, a

QAPP must be submitted **before monitoring begins**.

How Do I Develop a QAPP?

The first thing you need to do is determine the goals and objectives of your project:

- ◆ Why are you developing this project?
- ◆ What problem is the project designed to address?
- ◆ Who will use the information and the data collected and how will it be used?

Then you need to think about the monitoring scheme:

- ◆ What parameters will you monitor?
- ◆ How good does your data need to be?
- ◆ How will you pick your sampling sites?
- ◆ Who will analyze the samples?

Finally, you need to actually write the QAPP!

"A project's QAPP is an excellent planning tool that will also help others in utilizing the data collected" - Laura Bieberich, Quality Assurance (QA) Manager

There are specific elements of a QAPP that need to be addressed. Your Project Manager and the QA Manager can assist you with developing your QAPP.

For guidance on developing a QAPP, the Watershed Management Section has developed “*Guidelines for Preparing Quality Assurance Project Plans for Section 319 Projects*” (see Appendix C). USEPA also has a document entitled “*The Volunteer Monitor’s Guide to Quality Assurance Project Plans*” available at www.epa.gov/owow/monitoring/vol.html.

How Do I Get My QAPP Approved?

Once you have finished your QAPP, submit it to the QA Manager in the Watershed Management Section. It will be reviewed within a couple of weeks and comments will be forwarded to you.

You may need to revise the QAPP and resubmit it. Once it has been approved, an approval letter will be sent to you with a copy of the signed Title Page. You are now set to begin monitoring!

Remember to
include the results
of your monitoring
in your final
report!

Other Important Stuff

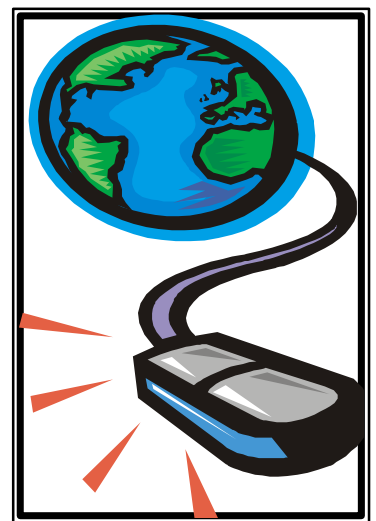
Reporting

Grant recipients must report on project progress on a quarterly basis. The due dates for quarterly reports are the same for all projects, and correspond to IDEM's reporting requirements to EPA, as well as to the calendar year. Reports are due one month after the quarter ends:

<u>Quarter</u>	<u>Due Date</u>
January - March	April 30
April - June	July 31
July - September	October 31
October - December	January 31

Final reports are **due by the end date** of the contract. Final reports should summarize successes and failures, discuss lessons learned and include any monitoring results. Ten percent of the S. 319 funds will be withheld at the conclusion of a project until the final report is received and accepted as complete.

Please submit quarterly and final reports electronically, via e-mail or on diskette. See Appendix D for a quarterly report form and example.



State Contract Requirements

In addition to the S. 319 program requirements, there are several requirements standard to all Indiana state contracts.

All work must be done within the contract start and end dates. The state cannot pay for any work done outside of the contract term. This includes work done for the in-kind/cash match. If a contract is signed late (after the projected start date), the start date becomes the date of the last signature.

All travel expenses must meet state approved rates. Please check with your Project Manager for current approved rates, including mileage and hotel costs.

Subcontracts must be reviewed and approved by your IDEM Project Manager prior to being signed. Project Managers review the scope of services, term and budget. A legal review is the responsibility of the grant recipient, and is not completed by IDEM.



Can I Make Changes to My Contract?

Major changes to contract duties require a contract amendment, which has to go through the entire state signature process. Major changes, including time extensions, are rarely approved.

Minor changes to contract duties, changes that do not change the scope of the work being done or the products being produced, can be requested in writing. A minor change in scope does not affect the goals of the project, but may affect the way the goals are reached. A letter must be drafted to your Project Manager including a justification for the change and the impact on the project. Budget change requests fall into the category of minor changes.